

Memorandum

City of Las Vegas Office of Business Development

To: Elizabeth N. Fretwell, City Manager
Via: Scott Adams, Director
Via: Steve van Gorp, Deputy Director *SVG*
From: Scott Auyong, Sr. Economic Development Officer *SA*
Date: January 22, 2009
Re: Section 7.01(c) and (d) - Resolution of Encumbrances
Disposition and Development Agreement between the City and CIM LL Manager, LLC dated July 2, 2007 (DDA)

In accordance with the terms of Sections 7.01(c) and (d) of the DDA, City and CIM staff have been working to effectuate the ENA Site Land Assemblage. As described in the DDA, the ENA Site Land Assemblage is dependent on resolution of the following issues:

I. Removal of Existing Encumbrances on the ENA Site

As you are aware, the ENA Site is encumbered by grant deed covenants in favor of the National Park Service (NPS) and State Historic Preservation Office (SHPO). The City and CIM have collaborated to prepare a master plan and narrative for the proposed development of the ENA Site (Master Plan) in order to initiate discussions with the NPS and SHPO for their approval to remove or modify the grant deed covenants. As such, the City is currently in the process of transmitting the Master Plan to NPS and SHPO, as well as, scheduling a subsequent meeting sometime this month to discuss the Master Plan with NPS and SHPO.

Based on previous discussions with NPS and SHPO, as well as, the opinion of the City's historic preservation consultant, City staff believes that either the removal or modification of the grant deed covenants will eventually (but during the time frame contemplated by the DDA) be granted by NPS and SHPO.

The northern most portion of the ENA Site (NDOT Land) is leased to the City by the Nevada Department of Transportation (NDOT) and the steps being taken to remove the NDOT encumbrance are described in Section II below.

II. Secure the transfer of the NDOT Land

The City is currently negotiating with the Nevada Department of Transportation (NDOT) on terms of an agreement to swap roadway maintenance responsibilities (Swap Agreement) for various local streets. Under the proposed Swap Agreement, the City would assume maintenance responsibilities for more roadway lane-miles than it would swap to NDOT. As compensation for assuming maintenance responsibilities for more roadway lane-miles than it would swap to NDOT, the City plans to negotiate with NDOT for the transfer of ownership to the City of various NDOT land parcels (including the NDOT Land). These negotiations with NDOT are on-going and a follow-up meeting is planned to occur sometime in the next few weeks.

City staff believes that negotiations to transfer ownership of the NDOT Land to the City will eventually (but during the time frame contemplated by the DDA) be granted by NDOT as part of the Swap Agreement.

Should you have any questions, please contact me directly at Ext. 6367.